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December 29, 2005

TO: All Companies with Approved Medicare Supplement Policy Forms in Virginia

FROM: Jacqueline Cunningham
Deputy Commissioner
Life and Health Division

RE: Virginia 2006 Medicare Supplement Insurance Premium Comparison Guide

For the past several years, the Bureau of Insurance (the Bureau) has published an annual Medicare Supplement Insurance Premium Comparison Guide, (the "Guide"). The guide is available in paper copy and may also be downloaded from the Bureau's website at:

<http://www.scc.virginia.gov/division/boi/webpages/boivamedicaresupinsguide.htm>.

The Guide is a useful tool for Virginia's consumers and for volunteers from the Virginia Insurance Counseling and Assistance Program (VICAP) who assist Virginia's senior consumers with insurance matters.

As we have done in previous years, we are requesting that companies writing Medicare Supplement Insurance in Virginia furnish the Bureau with updated premium information for inclusion in the Guide. The format and procedures for submitting the **2006** information has changed some, both to facilitate the reporting process and to accommodate certain changes resulting from recent changes in the Medicare program.

The Bureau asks that **all** companies with approved Medicare Supplement forms in Virginia return the attached survey no later than February 1, 2006, regardless of whether or not they wish to have their premium information included in the Guide. Those insurers that do NOT wish to have their premium information included in the guide may indicate so on the survey form. Those insurers that DO wish to have their Medicare Supplement premium information included in the 2006 Guide **must complete and return the attached survey no later than February 1, 2006** to ensure inclusion in the Guide.

Instructions for completion of the survey are attached, as is the actual survey form. The survey form and instructions may also be accessed through the Bureau's website at:

<http://www.scc.virginia.gov/division/boi/webpages/boicompany.htm>

The completed survey form may be mailed to the Bureau at the address below or returned to the Bureau via e-mail to the following address:

medsupppremium@scc.virginia.gov

Questions concerning this matter, and/or paper mailings of the completed survey may be mailed or faxed to:

Bureau of Insurance
Life and Health Division
P.O. Box 1157
Richmond, VA 23218
Attn: Sharon Holston
Insurance Market Examiner
FAX: 804-371-9944

We appreciate your cooperation in providing timely and accurate responses so as to ensure that we produce a useful tool for Virginia's consumers.

2006 Medicare Supplement Premium Survey and Instructions

1. All companies should complete the company and contact information included at the top of the survey form.

- If the reporting company does wish to have its premium information included in the Guide, please indicate so in the allotted space and complete the remainder of the survey form.
- If the reporting company does NOT wish to have its premium information included in the Guide and is still marketing Medicare supplement plans in Virginia, please indicate so in the allotted space and return the survey form. There is no need to furnish any further premium information on the survey form.

2. The following information will be helpful in completing the requested premium information:

Round all dollar figures to the nearest dollar

We are requesting premium information for all available plans, A through J (and high deductible plans), as well as the new plans K and L, if available, for the following five (5) categories:

1. Medicare eligible under age 65 – Disabled;
2. Medicare eligible purchased at age 65;
3. Medicare eligible purchased at age 70;
4. Medicare eligible purchased at age 75;
5. Medicare eligible purchased at age 80;

There are 4 rows within each category for the reporting of multiple rates for plans, (for example, attained age, issued age, male and female rates within the same category and plan).

If you do not offer a specific plan, leave that space blank.

Company: Please fill in your company name as you would want it to appear in our premium publication. If the name is too long for the space, please make an acceptable abbreviation.

Phone Number: If available, show a toll-free number that may be used by potential customers seeking policy information. If toll-free is not available, show the area code with the toll number.

Policy Fee: Enter the amount of any one-time fee required of the purchaser (whether called “policy fee,” “membership fee,” etc.).

Area: If you do not have area rating (i.e. all residents of this state would pay the same premium) enter "A". If there are geographic differences in premiums, enter "Z" and show premiums for a resident of Richmond zip code. Richmond – 232

Sex: If your rates are unisex, enter **M/F**. If not, enter **M** for the male rate, and **F** for the female.

Prem Type (Premium type): If the policy is rated on an attained age basis, enter **AA**. If it is rated at issue age, enter **IA**.

Guar. Issue: Enter **N** unless the policy will be issued without regard to the applicant's health (outside the open enrollment period). If applicant cannot be rejected for health reasons, enter **Y**.

Crossover: Enter **Y** if the policy is included in a **crossover contract** between your company and Medicare, providing for Medicare to forward claims directly to the company. Enter **N** if there is no crossover service rather than that required when policyholders use participating providers.

Pre-Ex Wait: Enter the number of months the new policyholder must wait before pre-existing medical conditions will be covered (assuming it is **not** a replacement policy).

Date Approved: Enter the date these rates were approved by the Bureau of Insurance.

Premiums: Compute **annual** premiums which will be in effect on **February 1, 2006**. Include any fees imposed for payment in installments rather than single annual payment.

Use additional space at the bottom of the form for any additional information you wish to submit or for clarification of any of the information included in the survey.